



North Carolina Department of Health and Human Services

Michael F. Easley, Governor

Carmen Hooker Odom, Secretary

Division of Mental Health, Developmental Disabilities and Substance Abuse Services

3001 Mail Service Center
Raleigh, North Carolina 27699-3001
Tel 919-733-7011 • Fax 919-508-0951
Mike Moseley, Director

Division of Medical Assistance

2501 Mail Service Center
Raleigh, North Carolina 27699-2501
Tel 919-857-4011 • Fax 919-733-6608
Allen Dobson, MD, Assistant Secretary for Health Policy and Medical Assistance

MEMORANDUM

TO: Area Directors

FROM: Leza Wainwright, Deputy Director, DMH/DD/SAS *LW*
Mark Benton, Senior Deputy Director and Chief Operating Officer, DMA *MB*

SUBJECT: Targeted Case Management for Individuals with Developmental Disabilities

DATE: December 15, 2005

We have heard from some provider agencies that some Local Management Entities (LMEs) have indicated that they will no longer bill for case management services provided to individuals with developmental disabilities after January 1, 2006. We hope this is simply a misunderstanding because that is not permissible. Although in much earlier correspondence we had outlined our intention to implement Targeted Case Management (TCM) for individuals with developmental disabilities as a directly enrolled Medicaid service by January 1, 2006, the State Plan Amendment (SPA) to make that change has not yet been approved by the Centers for Medicare and Medicaid Services (CMS). Until the SPA is approved, case management services for Medicaid eligible individuals with developmental disabilities must continue to be billed by the LME. This requirement is applicable to case management provided to CAP-MR/DD waiver recipients as well as services to individuals not on the waiver.

LMEs should continue to bill the Division of Medical Assistance for payment for case management services provided by their own staff and your contracted case management agencies using code T1017HI until TCM agencies can be directly enrolled within the Medicaid system. We will notify you when the SPA is approved and implemented and a transition period has occurred to allow providers to directly enroll. In the meantime, LMEs must continue to process billings and ensure that services to consumers are not interrupted.

Please contact DMA at 919-855-4290 or DMH at 919-715-2774 if you have any questions.

cc: Carmen Hooker Odom
Allen Dobson, MD
DMHDDSAS Executive Leadership Team
DMHDDSAS Management Leadership Team
Carol Duncan Clayton
Patrice Roesler
Kory Goldsmith

State Facility Directors
Chair, Coalition 2001
Chair, State CFAC
Chair, Commission for MH/DD/SAS
Marcia Rao
Carol Robertson
Vivian Leon